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The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

NIC No. 06105-85 13 December 1985

MEMORANDUM FOR: Director of Central Intelligence

FROM:

George Kolt

National Intelligence Officer for Europe

SUBJECT:

Ambassador Salgo's Comment on M/H to SNIE 12.7-83:

Romania: The Outlook for Ceausescu

- 1. I agree with Ambassador Salgo's comment that the Hungarian minority is an important problem in Romania. The reason we did not mention it in this M/H is that there has been no essential change in the situation since we discussed it in our original SNIE in 1983 and in the previous M/H in March 1985. (I don't agree with the Ambassador's characterization of the Hungarians and Germans being well above the native Romanians in culture and ability.)
- The essence of the problem is that both of these groups are under pressure to assimilate and can compare their miserable lot with the happier fate of their brethren in Hungary and West Germany respectively. In addition, as the Ambassador points out, the Hungarians are grouped together in Transylvania, have contacts in Hungary, and are particularly distrusted by the regime. But they are probably only slightly more downtrodden than the rest of the population and have not engaged in active opposition, in contrast to the ethnic Romanians in the Jiu Valley a few years ago.

| 3. Ironically the plight of the Hungarians in Romania has become a |
|---|
| greater problem for the Hungarian than for the Romanian regime. Kadar |
| has felt pressure from his people to intercede on behalf of the |
| Hungarians in Romania, but has been inhibited by the taboo against openly |
| criticizing another Warsaw Pact state and by the fact that Transylvania |
| last became part of Romania by Soviet fiat in 1945. |

We are discussing the issue in the

Hungarian estimate on which we are currently working.

George Kolt

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National Intelligence Officer for Europe

SUBJECT:

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Ambassador Salgo's Comment on M/H to SNIE 12.7-83:

Romania: The Outlook for Ceausescu

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11 December 1985

MEMORANDUM FOR: National Intelligence Officer for Western Europe

FROM: Director of Central Intelligence

SUBJECT: SNIE 12.7-83 - Romania: The Outlook for Ceausescu

I had Nicholas Salgo, our Ambassador to Hungary, read the Estimate on Romania. He thinks it well done and had only to suggest one thing it failed to do which is to deal with a problem stemming from the nationalist minorities in Romania. There are 2 million Hungarians and about one-half million Germans who are the lawyers, the doctors, the traders, the intellectuals in culture and ability. They are well above the native Romanians. The economic situation has ground them down to a point where they are living less well than the rank and file of the native Romanians. This has created great agitation because of their influence in the country and particularly because they live near the border and are in contact with the large Hungarian population over the border.

Salgo seemed to think this was an important element in the Romanian situation so for whatever it is worth I pass it on.

William J. Casey

Attachment:

Draft Memorandum of SNIE 12.7-83

| ROUTING AND RECORD SHEET | | | | | | |
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| SUBJECT: (Optional) Amb.Salgo's Comment on M/H to SNIE 12.7-83: Romania: The Outlook for Ceausescu | | | | | | |
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